BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Natural gas conservation cost recovery.

DOCKET NO. 020004-GU
ORDER NO. PSC-02-1737-FOF-GU
ISSUED: December 10, 2002

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman J. TERRY DEASON BRAULIO L. BAEZ MICHAEL A. PALECKI RUDOLPH "RUDY" BRADLEY

APPEARANCES:

RICHARD D. MELSON, ESQUIRE and GARY V. PERKO, ESQUIRE, P.O. Box 6526, Tallahassee, Florida 32314

On behalf of City Gas Company of Florida (CGC).

WAYNE L. SCHIEFELBEIN, Esquire, Rose, Sundstrom & Bentley, LLP, 2548 Blairstone Pines Drive, Tallahassee, Florida 32301

On behalf of Florida Division of Chesapeake Utilities Corporation (CUC).

NORMAN H. HORTON, JR., ESQUIRE, Messer, Caparello & Self, P.A., P.O. Box 1876, Tallahassee, Florida 32302-1876 On behalf of Florida Public Utilities Company (FPUC).

MATTHEW R. COSTA, ESQUIRE, CORPORATE COUNSEL, P.O. Box 111, Tampa, Florida 33601

On behalf of Tampa Electric Company d/b/a Peoples Gas

System (PGS).

LORENA A. HOLLEY, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

On behalf of the Florida Public Service Commission (FPSC).

DOCUMENT NUMPER-DATE

ORDER NO. PSC-02-1737-FOF-GU DOCKET NO. 020004-GU PAGE 2

FINAL ORDER APPROVING ENERGY CONSERVATION COST RECOVERY AMOUNTS AND ESTABLISHING ENERGY CONSERVATION COST RECOVERY FACTORS FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

I. <u>Case Background</u>

As part of this Commission's ongoing gas conservation recovery proceedings, a hearing was held on November 20, 2002, in this docket. Prior to the hearing, the parties reached agreement on all issues. Accordingly, all issues presented were stipulated. We accept and approve the following stipulations as reasonable.

II. Generic Conservation Cost Recovery Issues

A. Final End-of-Period True-Up Amounts for the period January 2001 through December 2001

We approve as reasonable the following stipulation for the final end-of-period true-up amounts for the period January 2001 through December 2001:

CGC:	\$	745,761	Over Recovery
CUC:	\$	221,691	Under Recovery
FPUC:	\$	283,183	Under Recovery
PGS:	\$	352,527	Over Recovery
PGWF:	\$ 1	,138,610	Under Recovery
SJNG:	\$	8,277	Under Recovery

B. Conservation Cost Recovery Factors for the period January 2003 through December 2003

We approve as reasonable the following stipulation as to the appropriate energy conservation cost recovery factors for the period January 2003 through December 2003:

CGC:	<u>Rate Class</u>	ECCR Factor
	Residential (RS & GL)	7.799 cents/therm
	Commercial(CS & SCTS)	2.272 cents/therm
	Commercial	
	Lge Volume(LCS & CTS)	1.494 cents/therm
	<pre>Industrial(IP & ITS)</pre>	1.363 cents/therm

CUC:	Rate Class	ECCR Factor
	GS1/TS-1	17.201 cents/therm
	GS2/TS-2	8.540 cents/therm
	GS3/TS-3	5.753 cents/therm
	GS4/TS-4	4.725 cents/therm
	GS5/TS-5	4.057 cents/therm
	GS6/TS-6	3.257 cents/therm
	GS7/TS-7	1.985 cents/therm
	GS8/TS-8	1.656 cents/therm
	GS9/TS-9	1.462 cents/therm
FPUC:	Rate Class	ECCR Factor
	Residential	9.003 cents/therm
	Commercial Small	3.442 cents/therm
	Commercial Lge Vol.	2.275 cents/therm
	Lge Vol. Transport	2.275 cents/therm
PGS:	Rate Class	ECCR Factor
	Residential	5.960 cents/therm
	Small Commercial	5.146 cents/therm
	Commercial	2.152 cents/therm
	Commercial Lge Vol. I	1.750 cents/therm
	Commercial Lge Vol. II	1.270 cents/therm
	Street Lighting	.740 cents/therm
	NGVS	.578 cents/therm
PGWF:	<u>Rate Class</u>	ECCR Factor
	Residential	12.620 cents/therm
	Commercial	3.951 cents/therm
	Commercial Lge Vol. I	2.943 cents/therm
	Industrial	2.904 cents/therm
SJNG:	Rate Class	ECCR Factor
	Residential	2.160 cents/therm
	Commercial	1.810 cents/therm
	Commercial Lge Vol.	.857 cents/therm

C. Effective Date of Cost Recovery Factors for Billing Purposes

We approve as reasonable, the following stipulation for the effective date of the cost recovery factors for billing purposes:

ORDER NO. PSC-02-1737-FOF-GU DOCKET NO. 020004-GU PAGE 4

The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January, 2003, through December, 2003. Billing cycles may start before January 1, 2003, and the last cycle may be read after December 31, 2003, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the stipulations, rulings, and findings set forth in the body of this Order are hereby approved. It is further

ORDERED that each utility that was a party to this docket shall abide by the stipulations, findings, and rulings herein which are applicable to it.

ORDERED that the utilities named herein are authorized to collect the natural gas conservation cost recovery amounts and use the factors approved herein for the period beginning with the specified conservation cost recovery cycle and thereafter for the period January 1, 2003, though December 31, 2003. Billing cycles may start before January 1, 2003, and the last cycle may be read after December 31, 2003, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

By ORDER of the Florida Public Service Commission this <u>10th</u> day of <u>December</u>, <u>2002</u>.

BLANCA S. BAYÓ, Director Division of the Commission Clerk

and Administrative Services

(SEAL)

ORDER NO. PSC-02-1737-FOF-GU DOCKET NO. 020004-GU PAGE 5

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal Division of the Commission Clerk with the Director, Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.